

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of Financial and Insurance Regulation

In the matter of

XXXXXX

Petitioner

v

File No. 120685-001

Blue Cross Blue Shield of Michigan

Respondent

Issued and entered
this 10TH day of October 2011
by R. Kevin Clinton
Commissioner

ORDER

I. PROCEDURAL BACKGROUND

On April 19, 2011, XXXXX (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Regulation under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* The Commissioner reviewed the request and accepted it on April 26, 2011.

The Petitioner is enrolled for health care coverage with Blue Cross Blue Shield of Michigan (BCBSM) through an underwritten group. Her benefits are defined in BCBSM's *Community Blue Group Benefits Certificate* (the certificate). *Rider CBD \$1000-P Community Blue Deductible Requirement for Panel Services* and *Rider CB-OV \$40 Community Blue Office Visit Copayment Requirement \$40* also apply.

The Commissioner immediately notified BCBSM of the external review and requested the information used in making its adverse determination. The Commissioner received BCBSM's response on May 5, 2011.

The issue in this external review can be decided by a contractual analysis. The Commissioner reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

II. FACTUAL BACKGROUND

On December 7, 2010, the Petitioner had an office visit and laboratory tests. BCBSM applied a \$40 copayment before making its payment for the office visit and it applied \$217.32 (its approved amount for the laboratory tests) to the Petitioner's annual \$1,000.00 panel deductible.

The Petitioner appealed BCBSM's processing of her claims, stating that no deductible or copayment should have been applied to the services. After a managerial-level conference on March 31, 2011, BCBSM did not change its position and issued a final adverse determination dated April 1, 2011.

III. ISSUE

Is BCBSM required to pay additional amounts for the Petitioner's office visit and laboratory tests?

IV. ANALYSIS

Petitioner's Argument

The Petitioner argues that her December 7, 2010, appointment was a routine health maintenance examination because that is what she scheduled. She states she is entitled to one physical examination per year under her certificate. She believes the office visit and the laboratory tests were preventive care and therefore not subject to a copayment or deductible. She further argues that her doctor is new and did not code the services correctly.

The Petitioner has an autoimmune disorder but does not believe that this condition prevents her from having an annual health maintenance examination.

BCBSM's Argument

BCBSM advises that *Rider CBD \$1000-P* amends the certificate to add an annual deductible requirement for most covered services by panel providers. The rider states, in part:

Deductible requirements

Panel Providers

You are required to pay the following deductible each calendar for most covered services provided by panel providers:

- \$1,000 for one member
- \$2,000 for the family

* * *

When a Deductible is Not Required

You are not required to pay a deductible for the following:

* * *

- Preventive care services (specific services are listed in Section 4 of your certificate)

Rider CB-OV \$40 states:

You are required to pay the following copayment for covered office visits provided by panel providers:

- **\$40** per office visit including:
 - urgent care visit
 - office medical care visits
 - office consultations

BCBSM states the provider submitted claims that indicated the office visit and tests were non-routine. The diagnosis codes (245.2, “chronic lymphocytic thyroiditis,” and 279.49, “autoimmune disease”) also indicate her visit was not of a routine nature. Further, her doctor’s notes indicated that the purpose of the visit was to focus on diagnosis and treatment options for ongoing autoimmune problems.

Based on this information, BCBSM concluded that her December 7, 2010, care was for treatment of a medical condition and not a routine physical. Therefore, BCBSM applied a \$40 deductible to her office visit under *Rider CB-OV \$40* and applied its \$217.32 approved amount for the laboratory tests to her panel deductible as required in *Rider CBD \$1000-P*.

Commissioner’s Review

The Petitioner asserts that the care was a routine physical and should not be subject to any copayment or deductible. However, BCBSM established (based on the coding from the claims and the doctor’s office notes) that the purpose of the office visit was to diagnose and treat her ongoing autoimmune disease. BCBSM must rely on the coding information from the provider. Therefore, it was proper for BCBSM to treat this as medical care, not preventive or routine care, and to apply a copayment to the office medical care visit and apply the approved amount for the laboratory tests to the panel provider deductible.¹

¹ The Petitioner has not claimed that the \$1,000.00 panel deductible had already been met by the time the services were received.

The Commissioner finds that BCBSM acted in accordance with the terms of the certificate and riders in processing the Petitioner's December 7, 2010, claims.

V. ORDER

Blue Cross Blue Shield of Michigan's final adverse determination of April 1, 2011, is upheld. BCBSM is not required to pay any additional amount for the care Petitioner received on December 7, 2010.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this Order may seek judicial review no later than 60 days from the date of this Order in the circuit court for the county where the covered person resides or in the circuit court of Ingham County. A copy of the petition for judicial review should be sent to the Commissioner of Financial and Insurance Regulation, Health Plans Division, Post Office Box 30220, Lansing, MI 48909-7720.

R. Kevin Clinton
Commissioner